

Interdistrict Public School Choice Program

ANNUAL REPORT For the 2000-2001 School Year



submitted to

**New Jersey State Legislature
and
State Board of Education**

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**New Jersey Department of Education
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ANNUAL REPORT

INTERDISTRICT PUBLIC SCHOOL CHOICE

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INTERDISTRICT PUBLIC SCHOOL CHOICE ANNUAL REPORT FOR THE 2000-2001 SCHOOL YEAR

EXECUTIVE SUMMARY

The Interdistrict Public School Choice Program was first established in State Board of Education regulations adopted in September 1999 and then established in statute in January 2000. It was designed as a small, limited, controlled pilot test of the concept of interdistrict public school choice and its viability in New Jersey. While it is very early in implementation of this program, this annual report is being issued pursuant to statute.

In November 1999, the first 10 choice districts were approved to accept choice students beginning in the 2000-2001 school year. In July 2000, an additional choice district was approved to accept choice students beginning in the 2001-2002 school year. The wide variety of choice district types will assist in testing the interdistrict public school choice concept. The department is currently reviewing additional applications of districts that have applied to become choice districts and expects to announce new choice districts this July.

In the 2000-2001 school year, 208 students indicated an interest in participating in the program. The low number of applicants was anticipated due to the newness of the program and its small design, the truncated timelines that occurred over the winter holidays when many schools were closed, and the lack of information on the program. Of the initial 208 students who indicated an interest in participating, 96 choice students attended eight choice districts for the 2000-2001 school year. Many of those 208 students did not complete the application process because they did not fulfill the mandated student eligibility requirements.

The student application process for the second year of the program, the 2001-2002 school year, was a smoother process and yielded greater results. Of the 287 students that indicated an interest in participating in the program, 212 filed a Notice of Intent to Enroll in nine of the 11 choice districts. A much smaller percentage of interested students were found to be ineligible to participate, and more students completed the application process than in the first year. This is attributed to excellent student recruitment on the part of choice districts, the enthusiastic promotion of the program by choice students and their parents, and the new two-cycle student application process established in State Board regulations. The enrollment of new choice students has more than doubled from the first year, and the total number of choice students has tripled.

Of the 96 choice students that attended choice districts for the 2000-2001 school year, 47 percent are female and 53 percent are male, 81 percent are Caucasian, 11 percent are African American, and eight percent are Hispanic. There are 41 percent of the choice students enrolled in elementary school, 39 percent in high school, and 20 percent in middle school. The choice student demographics are a reflection of choices made by parents and students, not school districts. School districts participating in the program are prohibited from being selective when it comes to student participation in the program, and choice districts are required to conduct an unbiased student recruitment process. In this context, although the number of enrolled students is small and it is too early to reach conclusions, it appears that, generally, the demographics of the choice students reasonably reflect the gender and race of the surrounding communities. It

also appears that all districts participating in the school choice program have maintained a balance in the diversity of their student populations.

At this early point in the program's implementation, it appears that the school choice program has beneficially impacted the development, improvement, and expansion of educational programs in the choice districts. Another impact of the program is that choice districts have been able to reduce class size. Choice district resident students, teachers, staff and the surrounding communities have also benefited from the district's participation in the program. School choice aid has helped choice districts to reduce local property tax rates, to hire additional teachers, and to purchase technology equipment.

It appears that sending districts that participate in the program have not experienced any negative effects during this first year of implementation. Sending districts not only receive impact aid for each resident student enrolled in a choice district, but can also choose to pass a resolution that limits their students' participation in the program. Choice students come from 27 different sending districts. Of the 27, only 16 have passed resolutions that limit students' participation in the school choice program. Most of those that have passed a resolution, limit resident students' enrollment in choice districts to two percent per grade per year. It appears that the provision of impact aid and the ability to limit student participation have mitigated any negative impact on sending districts.

Overall, the pilot school choice program is small in scope which is a direct result of its design. Choice district superintendents, choice students and their parents are extraordinarily enthusiastic about the school choice program. They are all very positive about their experience with the program. It appears that the first year of implementation has been a successful one. Many have benefited from the program, and more are expected to participate and benefit in the coming years.

INTERDISTRICT PUBLIC SCHOOL CHOICE ANNUAL REPORT FOR THE 2000-2001 SCHOOL YEAR

A. INTRODUCTION

The Interdistrict Public School Choice Program is a five-year pilot project that was established to increase educational options for New Jersey's students and their families. With a public school focus, the school choice program gives parents and students the ability to choose a public school outside of their district of residence without cost to the parents. Created as a small pilot with many limitations, the school choice program will test the concept of interdistrict public school choice and its applicability to New Jersey's public school system. While the school choice program is still in its infancy, this annual report is being issued pursuant to the statutory requirement at *N.J.S.A.18A:36B-11(a)*.

In establishing the school choice program, New Jersey joins 32 other states that have established some form of interdistrict public school choice. Of these, 20 states have mandatory interdistrict public school choice programs in which districts must participate in the program. In these states, districts generally use a formula to determine the number of seats that must be made available to out-of-district students. Thirteen states, including New Jersey, have established some form of a voluntary, limited interdistrict public school choice program.

During the five years of New Jersey's pilot school choice program, the Commissioner is authorized to approve a total of 21 choice districts with no more than one per county. Choice districts are selected through a competitive application process based on criteria established in statute and regulation. Choice districts are the only districts authorized to accept out-of-district students at the state's expense.

To be eligible to enroll in a choice district, a student must be enrolled in grades K-9 in a public school in the district of residence for one full year immediately preceding enrollment in the choice district. A choice district may make seats available at any grade level from 1-10. A choice district cannot discriminate in admissions policies, and if there are more applicants than there are seats available, the choice district must hold a lottery to select choice students. Students can apply to choice districts for enrollment in the following school year during a two-cycle application process that occurs in both the fall and the spring. Transportation of choice students is the responsibility of the choice district, except that when the student lives 20 miles beyond the choice district, transportation is the parent's responsibility. All choice districts receive transportation aid for each enrolled choice student.

Controls have been built into the school choice program to ensure a minimal impact on sending districts. A sending district is a district whose resident students seek to participate in the school choice program by applying to a choice district. One of the major controls is the sending district's right to adopt a resolution to limit its students' participation in the school choice program. A sending district may adopt a resolution to limit the number of its students participating in the school choice program to a minimum of two percent per grade per year and/or seven percent of the total student body, or to a maximum of 10 percent per grade per year and/or 15 percent of the total student body. If a sending district adopts a resolution establishing enrollment restriction percentages greater than the minimum, then the Commissioner must

approve the resolution. A sending district must also hold a lottery if the number of students applying to choice districts exceeds the enrollment restriction percentages.

The funding mechanism for the school choice program was designed to benefit both the choice districts and the participating sending districts. All choice districts receive a new categorical aid called school choice aid for each enrolled choice student whether or not that district receives core curriculum standards aid. School choice aid is current year funded and outside of the spending growth limitation. Choice districts in district factor group A or B receive school choice aid at a rate equal to the weighted per-pupil maximum T&E amount. All other choice districts receive school choice aid at a rate equal to the weighted per-pupil T&E amount. Choice districts also receive all associated categorical aids such as transportation or special education aid. State aid is also provided to sending districts in the form of impact aid, which is another control that minimizes any possible negative fiscal impact on sending districts. For each resident student enrolled in a choice district, a sending district receives 75 percent of core curriculum standards aid in the first year, 50 percent in the second year and 25 percent in the third year.

One of the unique aspects of New Jersey's school choice program is the statutory requirement for evaluation of the program. [see *N.J.S.A.* 18A:36B-11] The Joint Committee on the Public Schools is required to commission an independent study of the operation of the first two years of the school choice program. Prior to undertaking the study, the Joint Committee is required to hold a public hearing to solicit public comments on all features of the study. The Commissioner is also required to issue annual reports on the effectiveness of the program. Based on the study and the Commissioner's annual reports, the Joint Committee is required to issue a report to the Legislature by January 2003 with recommendations on whether the program should be continued as is or be modified.

B. HISTORY

On September 1, 1999, the State Board of Education passed regulations at *N.J.A.C.* 6A:12-1 *et seq.* that established the Interdistrict Public School Choice Program. Authorization for the establishment of the program was based upon the Comprehensive Educational Improvement and Financing Act (CEIFA) at *N.J.S.A.* 18A:7F-3. The final regulations were adopted after an exceptional amount of input from the Legislature, the educational associations, and the public.

The first choice district application was disseminated in September 1999 and 13 districts submitted applications to become choice districts. On November 29, 1999, the Department of Education announced approval of the first 10 choice districts. Those first choice districts opened their doors to choice students in the 2000-2001 school year. The second choice district application was disseminated in early 2000, and five districts submitted applications. Three of those districts later withdrew their applications, and the two remaining districts were in Warren County. On July 14, 2000, the Commissioner approved Belvidere in Warren County as the eleventh choice district. Belvidere will open its doors to choice students in the 2001-2002 school year. Following is a list of the 11 approved choice districts:

County	District
Atlantic	Folsom
Bergen	Englewood
Burlington	Washington Township
Cumberland	Cumberland Regional

County	District
Monmouth	Upper Freehold Regional
Morris	Mine Hill
Salem	Salem City
Union	Kenilworth

Hudson	Hoboken
Hunterdon	Bloomsbury

Warren	Belvidere

In December 1999, the Legislature passed, and, on January 18, 2000, the Governor signed into law the Interdistrict Public School Choice Program Act of 1999, *N.J.S.A. 18A:36B-1 et seq.* This new law established in statute a school choice program similar to that established in State Board regulations with some minor changes. One of those changes was repeal of the authorizing language in CEIFA upon which the regulations had been based. That repeal took effect on January 18, 2001. The State Board amended the school choice regulations on November 1, 2000 to ensure consistency with the new law.

Districts in the following 10 counties are eligible to apply to become choice districts: Camden, Cape May, Essex, Gloucester, Mercer, Middlesex, Ocean, Passaic, Somerset, and Sussex. The third choice district application was disseminated in January 2001 and was due back to the department by April 30, 2001. The department has received six applications from three of the 10 eligible counties.

The Commissioner will announce the new choice districts on or before July 30, 2001. Districts that are approved in July 2001 to become choice districts will open their doors to choice students beginning in the 2002-2003 school year.

It is not surprising that there are counties in which no district has applied to become a choice district due to significant increases in the student population in those counties. Because of the increase in student population in some counties and the statutory limitation of 21 choice districts with no more than one per county [see *N.J.S.A. 18A:36B-3*], it is anticipated that there will be fewer than 21 districts approved as choice districts during the five-year pilot, thus further limiting the size of the pilot project.

C. CHOICE STUDENTS

The 2000-2001 school year is the first year during which choice students are attending choice districts. Overall the enthusiasm of both choice parents and choice students is exceptionally high. Both parents and students are grateful that they have been provided an opportunity to choose the best educational setting for each child. A parent who has two children enrolled in the Washington Township choice district said, "We used to have to force my son to go on the school bus. Now he has asked me if he could go to school on Saturday." Generally, choice students are extremely happy to be attending the choice districts. Choice students in the Bloomsbury choice district commented that they were happy with the school because of "the computers," "we get to work on the web page," "the good gym classes," and "there are a lot of Goosebump books here." Bloomsbury choice parents commented that they "feel welcome in the school," and "the teachers show the students respect." Choice district superintendents agree that the choice students are indistinguishable from resident students and fit right into their districts. The superintendent of the Mine Hill choice district expressed the opinion shared by other choice district superintendents when he said, "The choice students are representative of the resident student body. There are not an unusually large number of students with disciplinary problems or classified as eligible for special education services. Basically, the choice students mirror the resident students."

1. Choice Student Application Process for the 2000-2001 School Year

The first 10 pioneer choice districts began recruiting interested students immediately after the Commissioner announced their approval on November 29, 1999. The first student application

process was truncated because regulations were adopted in September and the choice districts were approved in late November, leaving the choice districts only five weeks to recruit interested choice students. The five weeks ran from November 29, 1999 to January 3, 2000 during the winter holidays. Thus, interested students had to get information, learn about the application process, and decide to apply during the December holidays when many families were vacationing and most schools were closed. Applications from students interested in attending choice districts for the 2000-2001 school year were due on January 3, 2000. By February 21, 2000, at the end of the application process, 105 choice students had filed Notices of Intent to Enroll in eight of the 10 choice districts. It is not surprising that during this first round of choice student applications there was a limited number of applicants since the program was only five months old, there was insufficient time to disseminate information to everyone who may have been interested, and the student application process occurred over the winter holidays.

The tight student application timelines were necessary to ensure that choice districts could receive current year funding for the choice students enrolled after the first student application process. The department collected enrollment information from the choice districts in late February 2000 and included these enrollment figures in state aid calculations. Thus, school choice aid was included in the choice districts' state aid dollars. This provided the choice districts with current year funding, enabling them to utilize the school choice aid for the benefit of their districts in the 2000-2001 school year as described in Section G below.

During the first student application process, the 10 choice districts opened approximately 700 seats to choice students, and 208 students indicated an interest in participating in the program. Ninety-six choice students attended eight choice districts for the 2000-2001 school year. Of those 96 choice students, nine were previously parent-paid tuition students who automatically became choice students pursuant to *N.J.S.A. 18A:36B-7(d)*. Out of the initial 208 students who indicated an interest in participating, 111 did not attend a choice district for the 2000-2001 school year. Of the 111 who did not attend a choice district, 93 did not complete the application process, and 18 withdrew after filing a Notice of Intent to Enroll. Figure 1 on page 8 shows that of the 93 student applicants who did not complete that application process, 35 were found to be ineligible to participate in the program.

According to *N.J.S.A. 18A:36B-6(a)*, to be eligible to participate in the school choice program, a student shall be enrolled at the time of application in grades K through 9 in a public school of the sending district and have attended public school in the sending district for at least one full year immediately preceding enrollment in the choice district. This means that the following categories of students are not eligible to participate in the school choice program: 1) students who are enrolled on a tuition basis in a public school in a district other than the district of residence; 2) students who move during the school year; 3) students who do not fulfill the attendance requirements of the district of residence; 4) students who are home schooled; 5) students who attend parochial or private schools; and 6) students who attend a public school in a district other than the district of residence pursuant to a contractual agreement that provides teachers with a choice to enroll their children in the district in which they work. Of the 35 students who were ineligible to participate in the school choice program, 18 were ineligible because they were enrolled in a parochial or a private school, 12 were ineligible because they wanted to apply for a grade in which seats were not available, 4 were ineligible because they resided outside of the 20-mile limit established in the choice district's application, and one was ineligible because she resided out of state.

Figure 1 also indicates that 21 students did not complete the application process because a family decision was made not to continue the process. A total of 12 student applicants were unable to apply to a choice district due to sending district lotteries, and a total of five students were rejected by choice districts due to lotteries held by the choice districts. There were three students

who did not complete the application process because other siblings were unable to attend the choice district. A total of nine students filed their applications beyond the deadlines. One student had problems with transportation. There were three students who were ineligible to continue the application process because they moved out of the district of residence and thus did not complete a full school year. There are three students for whom there is no information.

Interested Students Not Attending Choice Districts 2000-2001

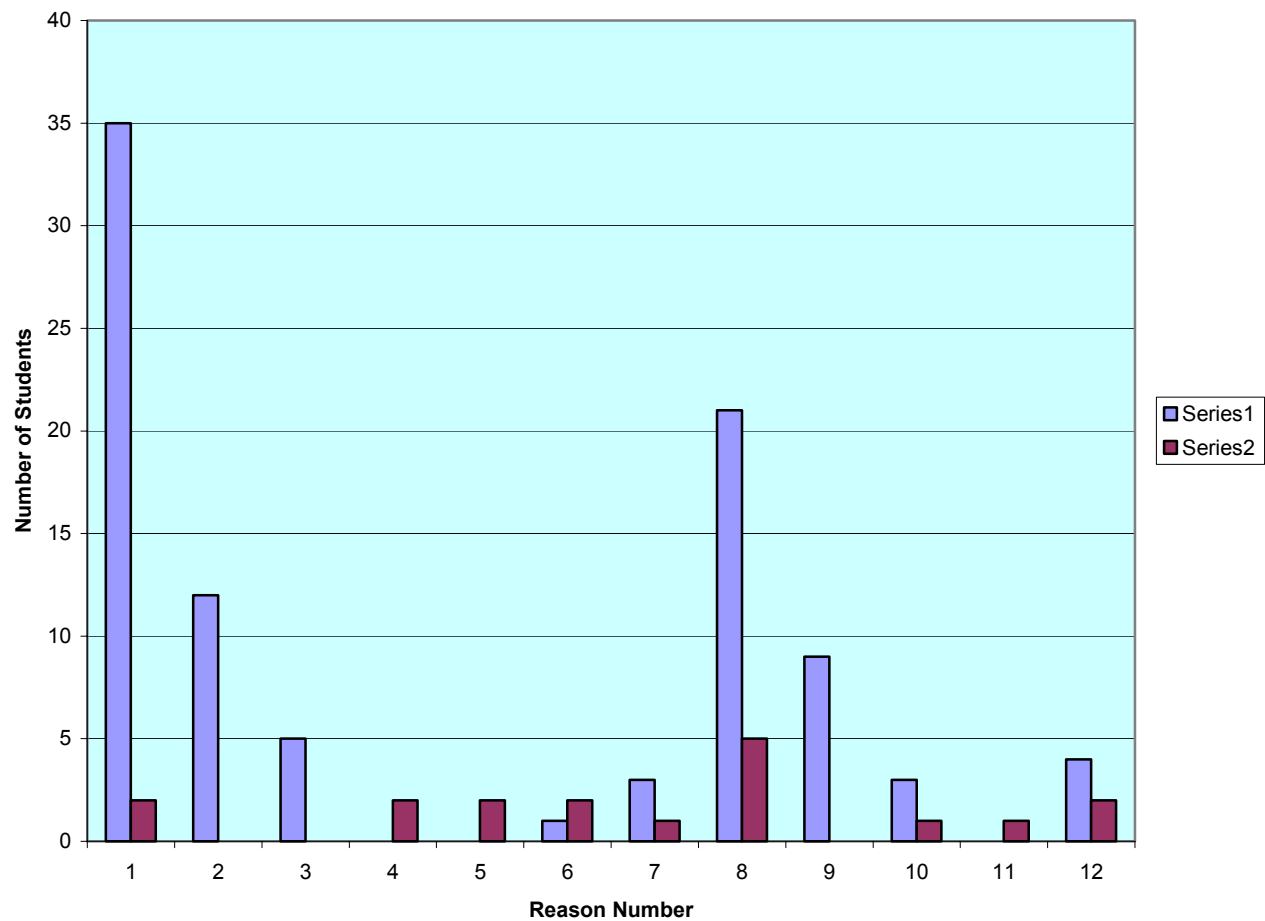


Figure 1

Series 1: Did not complete the application process

Series 2: Withdrew after filing Notice of Intent to Enroll

Reasons:

- | | |
|---|--------------------------------------|
| 1. Student found to be ineligible | 7. Student's sibling(s) not accepted |
| 2. Student lost in sending district lottery | 8. Parental decision |
| 3. Student lost in choice district lottery | 9. Student applied too late |
| 4. Student chose to attend another school | 10. Family moved |
| 5. Student chose to remain in district of residence | 11. Other |
| 6. Transportation issues | 12. Unknown |

During the application process for the 2000-2001 school year, it appears that most interested students who were ineligible to participate in the school choice program were ineligible because they attended either a parochial or private school. [see *N.J.S.A.* 18A:36B-6(a)] Parental decisions also impacted on the number of students participating in the program, with sibling issues factoring into that decision-making process. Both the sending district and choice district lotteries also played an important role in how many students were able to participate in the program.

2. Choice Student Application Process for the 2001-2002 School Year

The student application process for the second year of the school choice program (the 2001-2002 school year) was different from the first application process in many ways. First, there was more time for the choice districts to recruit students to participate in the program. Second, the success of the program in the first year sold the program because the choice parents and students went back into the community and promoted the program to other parents and students. Choice students and parents have become the most effective advocates of the program. Finally, the application process itself was different in the second year. The amended school choice regulations provided for a new two-cycle application process with one cycle in the fall and another in the spring. The first application cycle began on November 1, 2000 when the student's Notice of Intent to Participate in the school choice program was due to the district of residence. The first application cycle ended on January 15, 2001 when the student's Notice of Intent to Enroll in the choice district was due to the choice district. The second application cycle began on March 1, 2001 and ended on May 15, 2001.

The 11 choice districts made 742 seats available to student applicants. In the choice districts that enrolled students during the first application cycle, approximately 360 seats were available for new choice students, and 169 students indicated an interest in participating in the program. In the first application cycle, 134 students filed a Notice of Intent to Enroll in nine of the 11 choice districts. Of the 169 students who indicated an interest in the program, 35 did not complete the application process. Figure 2 on page 10 indicates that of those 35, three were ineligible, one was unable to continue the application process due to the sending district lottery, five chose to attend another school, and one chose to remain in the district of residence. For two students, the parents decided not to enroll the students in the choice district, five moved and 18 either did not file the Notice of Intent to Enroll or filed it late.

During the second cycle, the choice districts that enrolled students had around 300 seats available for new choice students, and 119 students indicated an interest in participating in the program. In the second application cycle, 78 students filed a Notice of Intent to Enroll in nine of the 11 choice districts. Of the 119 students that began the application process during the second cycle, 41 did not complete the application process. Figure 2 on page 10 indicates that of those 41, five were ineligible, two were unable to continue the application process due to the sending district lotteries, four chose to attend another

Interested Students Not Attending Choice Districts 2001-2002

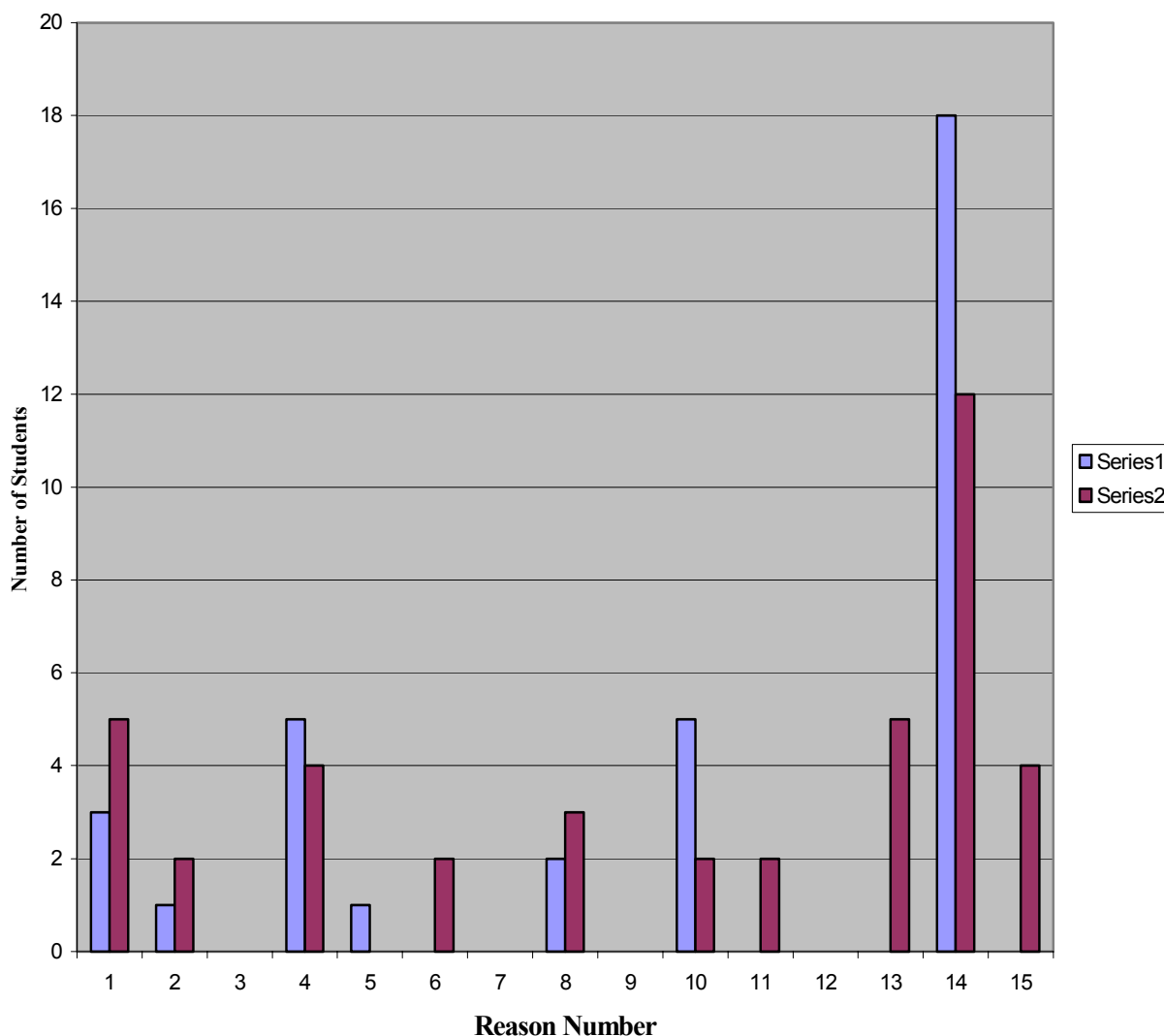


Figure 2

Series 1: First Application Cycle
 Series 2: Second Application Cycle

Reasons:

- | | |
|---|---|
| 1. Student found to be ineligible | 9. Student applied too late |
| 2. Student lost in sending district lottery | 10. Family moved |
| 3. Student lost in choice district lottery | 11. Other |
| 4. Student chose to attend another school | 12. Unknown |
| 5. Student chose to remain in district of residence | 13. Choice district unable to implement IEP |
| 6. Transportation issues | 14. Notice of Intent to Enroll late or not filed |
| 7. Student's sibling not accepted | 15. Notice to district of residence late or not filed |
| 8. Parental decision | |

school, and two chose not to continue the application process because of transportation concerns. For three students, the parents decided not to enroll the students in the choice district, two students moved, 12 did not file the Notice of Intent to Enroll or filed it late, and four failed to file or filed late the notice to the district of residence regarding participation in the program. There were two districts that rejected the applications of two students identified as in need of special education services pursuant to *N.J.S.A. 18A:36B-7(c)*. In both instances, the districts rejected the

students' applications because the districts could not implement the students' Individual Education Plans. There were also two students for whom there is no information.

The main difference between the application process for the 2000-2001 school year and the two-cycle application process for the 2001-2002 school year is that there were more students who completed the application process for the second year. In the first year, 208 students started the application process and 96 completed it; compared to the second year when 288 started the process and 212 completed it. There were also fewer ineligible students in the second year. This could be the result of better recruitment by the choice districts, which also explains why students applied on time to the choice districts in the second year. While parental decision-making still played a major role in why students failed to complete the application process, sibling issues did not factor into that decision-making process at all in the second year unlike the first year. The choice district lottery was not a factor in the second year because of the establishment of a waiting list process.

A total of 212 choice students enrolled during the two-cycle application process for the 2001-2002 school year. This doubles the enrollment of new choice students and triples the total number of choice students from 96 to 306. Of the 212 new choice students, three were previously parent-paid tuition students who automatically became choice students when Belvidere was approved as a choice district.

While the extra time for student recruitment and the additional application cycle have helped to increase the number of students participating, the success of the first year of the school choice program and the parents' desire for an educational choice also played a major role in the expansion of the school choice program. Parents are staunch supporters of the program and are grateful that they are given a role in determining the educational setting for their children. There is a lot of interest in the school choice program as demonstrated by the monthly average of 2,800 hits on the school choice page on the department's web site. While the choice districts receive most of the phone calls from interested students and parents, the department fields around 40 calls a month. Calls to the department are mostly from parents whose children are ineligible or who do not have a choice district near them.

3. Choice Students Attending Choice Districts for the 2000-2001 School Year

This report provides demographic information regarding only the choice students who attended choice districts in the 2000-2001 school year because the students for the 2001-2002 school year are not yet in attendance, and the department is still collecting data for these students. Ninety-six choice students attended school in eight of the first 10 choice districts for the 2000-2001 school year. Of those, nine were previously parent-paid tuition students. After completing the application process, 105 students filed a Notice of Intent to Enroll in a choice district. Eighteen of those 105 are not attending a choice district. Figure 1 on page 8 indicates that of those 18 students, two were found to be ineligible because they did not complete the school year in the district of residence, two students chose to attend another school district, two chose to remain in the district of residence, two did not attend a choice district for transportation reasons, five parents made the decision for their children not to attend the choice district, one did not attend because a sibling was not accepted, one student was ineligible because the family moved out of state, and there is no information for three students. While it is early in the program's implementation to draw conclusions, it appears that most students who had intended to enroll in a choice district but did not do so chose to enroll elsewhere. Thus, parents and students exercised a choice from the options provided to them through this program.

The pie chart in Figure 3 indicates that of the 96 choice students who attended choice districts in the 2000-2001 school year, 47 percent are female and 53 percent are male. Figure 4 indicates that 81 percent of the choice students are Caucasian, 11 percent are African American, and eight percent are Hispanic. The pie chart in Figure 5 shows that 39 percent of the 96 choice students attend the choice districts at the high school level, 20 percent attend at the middle school level, and 41 percent attend at the elementary school level.

Figure 3
2000-2001 Choice Students by Gender

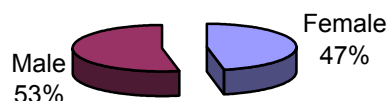


Figure 4
2000-2001 Choice Students by Ethnicity

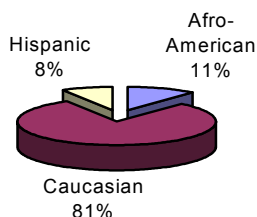
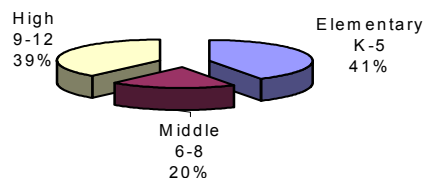


Figure 5
2000-2001 Choice Students by Grade Level

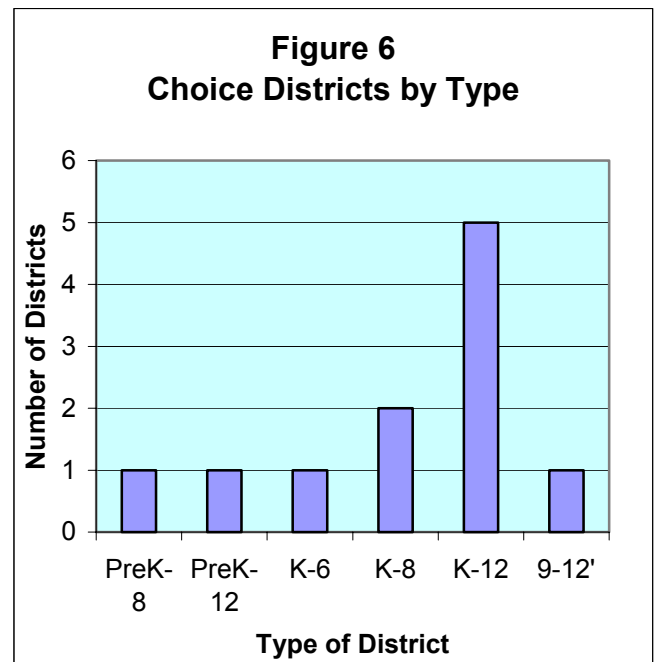


Of the 96 choice students, 10 percent who enrolled in choice districts needed special education services. The 10 choice students were all accommodated in the choice districts. Of the eight choice districts that enrolled choice students for the 2000-2001 school year, only five enrolled students with special education needs, and there were no more than two students with special education needs enrolled in any one choice district. Of the 96 choice students, only two have been identified as in need of special education services subsequent to their enrollment in a choice district. One example is in Washington Township, where, because of the small class size, staff was able to identify that a student needed special attention early in grade one.

The choice student demographics are a reflection of the choices made by parents. The main focus of the school choice program is parental choice. The program puts decision-making in the hands of the parents who are given the opportunity to choose a different school or to choose to remain in the district of residence. No district can choose to send any particular student to a choice district and no choice district can choose to enroll any one particular student. The required random selection processes for both the sending and choice districts ensure a nondiscriminatory selection process. Furthermore, all choice districts are required to conduct a nondiscriminatory regionwide student recruitment process. This has been accomplished through practices such as the placement of ads in local newspapers, appearances on local cable shows, and the dissemination of flyers and brochures. In their outreach efforts, two choice districts with surrounding Latino communities disseminated flyers and brochures in Spanish. Thus, it is parental and student decision-making that influences choice student demographics which are not impacted by the student selection process. Although it is too early to draw any major conclusions, it appears that the demographics of choice students reasonably reflects the gender and race of the surrounding communities.

D. CHOICE DISTRICTS

The current 11 choice districts are widely varied in district types. Figure 6 shows that there are five K-12 districts, two K-8 districts, one PreK-8, one PreK-12, one K-6 and one 9-12. There is one choice district in District Factor Group (DFG) A, three choice districts in DFG B, two choice districts in DFG CD, three choice districts in DFG DE, and two choice districts in DFG FG. The table in Appendix 1 provides information on the grade levels in which the choice districts have made seats available to choice students. Overall, 42 percent of the open seats in the 11 choice districts are at the grade nine level, 25 percent are in grade 10, 12 percent in grade six, five percent are in grade four, four percent are in grade eight, four percent are in grade seven, three percent are in grade five, two percent are in grade one, two percent are in grade two, and one percent are in grade three. One reason for the larger percentage of open seats at the upper grade levels is because both Englewood and Salem City have created new programs at grade levels nine and 10 and have made available a substantial number of seats at those grade levels. Also, three of the five K-12 choice districts have made seats available only in grades nine and 10, and the other two have made seats available at the grade-nine level.



Hoboken learned a valuable lesson regarding choice seat availability during the student application process for the 2000-2001 school year. Hoboken had made seats available in grades six and nine on the theory that since those are the starting grades for middle school and high school, that would be when students would be willing to switch schools. However, during the student application process for the 2000-2001 school year, Hoboken found that many parents would not enroll otherwise eligible students because they could not also enroll siblings at other grade levels. To address this, Hoboken made seats available in grades one through nine for the 2001-2002 school year, which helped greatly during the two-cycle student application process. As a result of this change, Hoboken has more than six times the number of choice students

enrolled for the 2001-2002 school year. In the 2000-2001 school year the district enrolled three choice students, and for the 2001-2002 school year the district has enrolled 20 choice students.

To assist the first 10 choice districts during the first round of student applications, the Governor provided the districts with outreach funds to establish the required regionwide public information program and parent information center. [see *N.J.S.A.* 18A:36B-9; *N.J.A.C.* 6A:12-7.1(b) and (d)] The outreach funds were disbursed based on the size of the program in each choice district: \$10,000 for each district with 100 or more available seats; \$6,000 for each district with 50 or more but fewer than 100 available seats, and \$4,000 for each district with fewer than 50 available seats. The department will provide outreach funds for the duration of the five-year pilot project. This will ensure that ample information is provided to eligible students and their parents concerning the fact that they now have additional choices for their educational setting.

The outreach funds enabled the first 10 choice districts to recruit students during the five-week window that was provided in the student application process for the 2000-2001 school year. Some choice districts were more successful than others in recruiting choice students in such a limited period of time. There are many reasons for this, including the location of the district, the surrounding communities, the potential sending districts, the effectiveness of the recruitment process, and the attractiveness of the district's programs. The districts with small class size were able to attract the most students. Eight of the 10 choice districts have choice students enrolled for the 2000-2001 school year. The Englewood and Salem City choice districts do not have any enrolled choice students for the 2000-2001 school year, and Englewood has only one choice student enrolled for the 2001-2002 school year. This is due in part to the fact that both districts designed new programs to attract choice students. Englewood established new magnet academies, and Salem City established a new Pathways program. The first year of implementation of these programs in both districts was the 2000-2001 school year. Thus, it was difficult to attract students to a program that was not yet in existence in the districts during the student application process. Upper Freehold, which has an established agricultural program, was able to attract students because of the reputation of its program.

Both Salem City and Englewood have developed and implemented extensive outreach and recruitment plans. Englewood went out into the communities in all potential sending districts and made presentations regarding its school choice program. The district also contacted the guidance offices in all potential sending districts. Salem City produced a 10-minute video that was shown at many of the schools in the potential sending districts. These efforts, along with newspaper ads and articles, brochures and flyers, were all part of an overall effort to recruit students. Attached in Appendix 2 you will find brochures for the new programs in Englewood and Salem City. Both these districts must overcome other issues not related to the school choice program in order to attract new students. Department staff is working closely with the two districts to develop student recruitment strategies. Given time, the department expects these districts to attract more choice students.

Overall, the choice districts have had success with the school choice program, which has brought many benefits to their districts. The department holds three to four choice district meetings each year with the superintendents and staff of the choice districts and county office staff from the counties in which choice districts are located. At these meetings information is exchanged and issues are discussed. The collaboration among the choice districts and between the districts and the department has been an integral component in helping the program move forward. These meetings have proven to be very useful to the choice districts and to the department in assisting in implementation of the program, as discussed more fully in section F.

E. SENDING DISTRICTS

Choice students in attendance at choice districts for the 2000-2001 school year come from 27 different districts (see Appendix 1). A choice student's district of residence is referred to as a sending district. A sending district has the option to limit its students' participation in the school choice program. *N.J.S.A.* 18A:36B-7(b) allows a sending district to pass a resolution that limits the enrollment of its students in a choice district to a minimum of two percent per grade per year and/or seven percent of the total student body, or to a maximum of 10 percent per grade per year and/or 15 percent of the total student body. If a sending district passes a resolution with enrollment percentage limitations above the minimum amount, then it must be approved by the Commissioner based on criteria established in *N.J.S.A.* 18A:36B-7(b)3. Of the 27 sending districts, only 16 have passed enrollment limitation resolutions. Figure 7 shows that most sending districts that passed resolutions limited resident students' enrollment in choice districts to two percent per grade per year.

FIGURE 7**SENDING DISTRICT RESOLUTIONS**

Sending District	Resolution	2%/grade/year	7% total enroll	2% capped by 7 %
Buena Regional	Yes			Yes
Hamilton	No			
Hammonton	Yes			Yes
Harrison	No			
Pleasantville	No			
Winslow Twp.	Yes	Yes		
Egg Harbor City	Yes			Yes
Mullica Twp.	Yes			Yes
Bridgeton	Yes			Yes
Commercial Twp.	No			
Downe Twp.	No			
Maurice River	No			
Jersey City	Yes			
Phillipsburg	Yes			Yes
Manalapan-Englishtown	No			
No. Burlington	Yes			
Ocean Twp.	No			
Plumsted Twp.	Yes	Yes		
Washington Twp.	Yes	Yes		
Dover	Yes	Yes		
Randolph	No			
Roxbury	No			
Wharton	Yes	Yes		
Hillside	Yes	Yes		
Roselle	No			
Union	Yes			
Winfield	Yes	Yes		

Slightly more than half of the sending districts have passed enrollment limitation resolutions. This demonstrates that some sending districts are not concerned that the school choice program will have a negative impact on their districts. This could be because sending districts receive impact aid for each resident student enrolled in choice districts as choice students. In year one, the participating sending districts will receive 75 percent of the normal weighted core curriculum standards aid for each resident student enrolled in a choice district as a choice student, in year two 50 percent, and in year three 25 percent. The superintendent of Winfield, a sending district to Kenilworth, wrote this about the school choice program, “That program has proved to be a tremendous financial advantage to a small district like Winfield.”

One of the purposes of the school choice program is “...to enhance efficiency by allowing a redistribution of students where some districts are overcrowded and others are under-enrolled.” [see *N.J.A.C.* 6A:12-1.1] It appears that the school choice program is fulfilling this purpose. Sending districts that are overcrowded are not concerned with a negative impact from the school choice program. The superintendent of Phillipsburg, a sending district to Bloomsbury, said that the 11 Phillipsburg students who attended Bloomsbury in 2000-2001 represent such a small percentage of the district’s 3,300 students that the effects on Phillipsburg will be minimal. The superintendent of the Folsom choice district, said, “for the most part, the sending districts have

been very cooperative, mostly because the school choice program is helping to relieve overcrowding problems.”

The department has assisted sending districts through the provision of written information and presentations at county superintendent roundtable meetings. Department staff has been responsive to all sending district inquiries. These efforts and the provision of impact aid helped to limit any possible negative impact on sending districts. Based on the fact that not all sending districts have adopted enrollment limitation resolutions, it appears that such resolutions may not be necessary to limit a negative impact on sending districts. In fact, two sending districts have rescinded their resolutions.

F. FIRST YEAR OF IMPLEMENTATION

The 2000-2001 school year was the first year of implementation of the school choice program. The department assigned two professionals to work full-time on the program and to report directly to the Assistant Commissioner of Information & Management Services. The unit is responsible for the development, administration, evaluation and refinement of the school choice program. The unit works with staff of the Joint Committee on the Public Schools in evaluation of the program and drafting of legislative amendments. The unit also prepares amendments to administrative code as necessary. The unit develops the application used by districts interested in becoming choice districts and oversees the selection of choice districts, the administration of the local school choice programs, and the ongoing refinement of the program to meet student, parent, and district needs. The unit has taken a collaborative approach to implementation of the school choice program and has established a strong working relationship with each choice district.

The unit collaborates with the choice districts. Three to four times a year, a choice district meeting is held to discuss the school choice program. One of the purposes of the meetings is to brainstorm issues related to the school choice program. The department’s collaborative approach has resulted in improvements to the school choice program. One example of the benefits of this collaborative approach is the improvement in the student application process. At one of the first choice district meetings, several of the choice district superintendents made suggestions related to the student application process. One suggestion was that the student application process should be extended from the fall to the spring because many parents aren’t focused on the following school year in the fall. Another suggestion was that the fall application timelines should be extended from October to November to give both parents and choice districts more time before the first application deadline. The department was able to address these suggestions when the State Board of Education amended the school choice program regulations. The first step in the student application process was moved back from October to November, and a two-cycle student application process was established. The first cycle is in the fall and the second cycle is in the spring. These new approaches developed in response to concerns expressed by choice district superintendents made a substantial difference in the second year of student recruitment.

The unit works closely with each choice district to assist in implementation of the school choice program in each district. It assists in the development of choice district student recruitment and public information campaigns by attending open houses and assisting in the dissemination of materials. It develops and maintains a school choice web page that provides extensive information on the school choice program.

The unit also assists and responds to sending district and parent inquiries. Many calls are fielded from parents who are interested in learning about their options when it comes to the education of their children. Some parents are surprised at the lack of options, especially since many are not

given an option under the school choice program because of the small size of the pilot. Department staff has presented information regarding the role of sending districts in the school choice program at county superintendent roundtables and is available to answer any questions. The unit also assists districts interested in becoming choice districts through presentations at board of education meetings or meetings with the superintendents.

Choice districts have been very successful in this first year of implementation. All choice districts have established excellent public outreach campaigns. Student recruitment in all of the choice districts has resulted in an increase in choice student enrollment. The choice districts have also successfully integrated the choice students into their student body. Choice students and their parents are invited to school functions even before the students are in attendance. Choice districts have also been extremely cooperative in providing the department with the necessary data for program evaluation.

G. INITIAL IMPACT OF THE SCHOOL CHOICE PROGRAM

1. Impact on Educational Programs

Districts have responded to choice district status by developing new programs. In Englewood and Salem City, where there are no choice students yet, the resident students have already benefited from the new programs developed as a result of the districts' choice status and offered in those districts. In Salem City, the teachers welcomed the opportunity to play an integral role in the design of the new programs and are enthusiastic supporters of the school choice program in that district. Their enthusiasm spills into their classrooms benefiting the resident students. With its new programs, Salem City was able to lure back resident students enrolled in other districts. The aid generated by these students has already paid the salary for the teacher of the new Performance Dance Pathways.

One of the theories behind the school choice reform initiative is that when parents have an educational choice, there will be constructive competition among districts. The theory holds that once competition is introduced into a public school system, it will also spur districts other than choice districts to improve programs, which will have an ultimate benefit for all students. This theory has proved true here in New Jersey in Salem County. Even though there are no choice students in Salem City, the competition has already benefited students attending two districts in that county. Salem City resident students benefit from the new Pathways program created to attract choice students. In competition with Salem City's new programs, Salem County Vocational School District created similar programs to attract Salem County students. Thus, students in both Salem City and in the Salem County Vocational School District have benefited from the competition created by the school choice program, and, overall, Salem County students have benefited.

Other choice districts expanded or improved their program offerings. These program improvements have affected, for the most part, the entire choice district, not just the grade levels opened up to choice students. Kenilworth expanded the Reading Recovery program from a half-day to two full days. That program is in the elementary school and Kenilworth has choice seats available only in the high school. Mine Hill improved its science program through the addition of a full-time science teacher. Bloomsbury improved its health and speech programs through additional staff instructional hours. Cumberland Regional purchased supplies and equipment for its agricultural program and renovated its greenhouse.

Many choice districts were able to improve the technology in the district. Bloomsbury and Kenilworth purchased new classroom computers. As part of the new program development to attract choice students, Salem City installed a new interactive video distance learning classroom.

Kenilworth added a computer technician. Cumberland Regional purchased additional equipment to maintain and upgrade current technology.

2. Impact on Class Size

This first year of implementation has shown that the school choice program has helped to reduce class size. School choice aid enabled the Kenilworth choice district to reduce the class size of the sixth grade by adding an additional section. Sixth-grade students benefited, even though Kenilworth made seats available in grades seven through 10 and no choice seats were made available at the sixth grade level. Mine Hill reduced class size at the fourth-grade level because school choice aid enabled the district to hire an additional teacher. The superintendent of the Folsom choice district noted, “Through the addition of a first grade teacher, we were able to keep the class size of the first grade to under 20.”

3. Impact on Teachers and Staff

Although skeptical at first, most teachers in the choice districts now fully support the school choice program. A Kenilworth teacher, said, “At first, I was anxious about the school choice program, but now, after having choice students in class, I think it is a great program that has only benefited the district.”

The school choice program has benefited teachers and staff in the choice districts. Many of the choice districts were able to hire additional teachers and staff members. Salem City hired a performance dance teacher. Kenilworth hired a music teacher. Mine Hill hired a full-time fourth grade teacher, a full-time science teacher, and a full-time custodian. In Upper Freehold Regional, a high school staff position was saved and a middle school staff position was added. Folsom added a first grade teacher. A teacher’s job was saved in Washington Township, which used school choice aid to save the position of its physical education teacher.

Teachers also benefited in choice districts that were able to reduce class size. Teachers benefited from more focus on professional development such as in Cumberland Regional, which increased its staff development offerings. Choice district staff benefited in Bloomsbury, which added a day to the guidance counselor’s schedule and added hours to the nurse’s schedule.

4. Impact on the Community

While we are only in the first year of implementation of the school choice program, it appears that the program has brought tax relief to some of New Jersey’s taxpayers. The communities of some of the choice districts have benefited from the districts’ involvement in the school choice program. Folsom was facing a tax increase of over 25 cents. School choice aid enabled them to reduce the proposed tax increase to five cents. School choice aid replaced lost state aid in Bloomsbury, thus ensuring no tax increase for that community.

The school choice program has also increased the communities’ interest and involvement in local education. For instance, in districts considering choice status, there are more than the usual numbers of community members in attendance at school board meetings. In choice districts, the communities have shown an increased interest in what is going on in the school district.

5. Impact on Student Population Diversity

The Interdistrict Public School Choice Act of 1999 established provisions to ensure that the school choice program does not interfere with the balance of any district’s student population diversity. The act defines “student population diversity” as the ethnic, racial, economic, and geographic diversity of a district’s student population. [see *N.J.S.A.* 18A:36B-4(b)] Based on the first year of implementation of the school choice program, it appears there has not been any interference with the balance of any choice district’s student population diversity. In some choice districts, such as in Kenilworth and Mine Hill, the choice students actually increased the student population diversity. The superintendent of the Kenilworth choice district said, “The school choice program has increased the richness of our schools.”

It also appears that there has been no interference with the balance of the student population diversity in any sending district participating in the school choice program. There are many reasons for this. First, choice districts open up a limited number of seats, and students apply from many different sending districts. Around four to five students on average come from any one sending district, and those students compete for the limited seats in the choice districts with students from other sending districts. Also, some sending districts have limited the number of resident students who can participate in the school choice program. Thus, the number of

students from any one sending district is such a small percentage of the sending district's total student population that any impact is negligible. For example, for the 2000-2001 school year, 11 choice students came from Phillipsburg, the largest number of choice students from any one district. Given the fact that the district's total student population averages 3,300, 11 choice students would have no impact on the district's racial balance. Furthermore, those students ultimately selected to be choice students will not necessarily be from the same ethnic group. Also, in some of the choice districts, the communities surrounding the districts have the same ethnic, racial, economic and geographic diversity. Superintendents in those choice districts report that the choice students are similar to the choice districts' resident students. For these districts, there is no impact on the student population diversity in either the choice districts or the sending districts.

6. Impact on Transportation

During this first year of implementation of the school choice program, it appears that there has been no significant impact on the transportation programs of the choice districts that enrolled choice students. Choice districts are required to provide transportation to eligible choice students, and they receive transportation aid for each enrolled choice student. Most choice districts accept student applicants from a 20-mile radius. Only two choice districts, Folsom and Cumberland Regional, accept student applicants from beyond a 20-mile radius. Of the eight choice districts with enrolled choice students in the 2000-2001 school year, four provide bus routes for their choice students and four provide aid in lieu of transportation. All choice district superintendents agree that the amount of administrative time it takes to oversee the transportation of choice students is negligible. However, a few of the choice district superintendents expect this to change as the districts enroll additional choice students in the coming years.

The transportation of choice students is not a big issue in the choice districts. In Kenilworth, a choice district that provides bus routes for choice students, the biggest issue was that the district established one bus stop in each town, which was done for efficiency purposes. Initially, the parents of choice students were not totally satisfied with that arrangement. However, after they realized the expense of door-to-door transportation, they all agreed with the approach the district had taken. In Folsom, another choice district that provides bus routes, the choice students were accommodated on the routes already established in the district. However, in future years, the district may have to establish an additional route for the choice students.

7. Overall Impact of the Program

Even though it is early in implementation, it appears that the program overall has significantly benefited not only choice students, but resident students, the community, teachers, staff, programs, and facilities in the choice districts. The superintendent of the Cumberland Regional choice district, stated "Our participation in the school choice program will benefit our overall program in the delivery of the Core Curriculum Content Standards. School choice aid will allow us to increase program offerings and reduce class size."

H. CONCLUSION

Although it is far too early to draw conclusions, after the first year of implementation of the school choice program, it appears that the program has been effective in increasing educational opportunities for students and parents in the communities surrounding choice districts. The program has also been effective in helping choice districts to improve or increase educational program offerings, reduce class size, lower the local property tax burden, hire teachers, and

purchase technology equipment. The program has also helped to reduce the enrollment in overcrowded districts while assisting under-enrolled districts.

The school choice program was designed to be a small, limited, controlled pilot project to test whether interdistrict public school choice is an educational reform initiative that would work in New Jersey. As such, it has begun on an expected small scale with 96 choice students enrolled in 8 choice districts for the 2000-2001 school year. The choice student attendance numbers for the first year are low because of the truncated application timelines that took place over the winter holidays. The new two-cycle student application process, excellent choice district recruitment campaigns and the promotion of the program by choice students and parents all helped to increase student enrollment dramatically. The number of new choice students doubled for the 2001-2002 school year and the total number of choice students tripled, thus demonstrating the success of the first year of the program.

An additional choice district has been added for a total of 11 choice districts, and the department expects to approve an additional two choice districts for the third year of the program. However, it is possible that there will not be 21 choice districts because there are some counties where the student population is growing in every district. This will further limit the size of an already small pilot test.

The school choice program is a program that gives parents a choice. Parents decide whether they want to participate in the program. Participating districts cannot select the students that participate in the program, and choice districts must conduct an unbiased student recruitment process. In that context, although the number of enrolled students is small and it is too early to reach conclusions, it appears that, generally, the demographics of the choice students reasonably reflect the gender and race of the surrounding communities, and the diversity of the student bodies in the participating districts has remained balanced.

It appears that the funding for the program has benefited both choice and sending districts. Impact aid and enrollment limitation resolutions have mitigated any negative effects on sending districts. School choice aid has benefited choice district communities, resident students, teachers, and choice students.

It appears that a benefit of the school choice program has been its impact on program development and improvement. Many choice districts have created new programs or improved existing ones. Resident students of the choice districts are benefiting from the improvements choice districts are making to their programs. One district that is not a choice district has also created new programs in response to the approval of a choice district in the county. It also appears that the school choice program has enabled choice districts to reduce class size.

Choice district superintendents and participating parents and students are extremely enthusiastic. Choice districts are working very hard to offer the best programs to choice students and resident students. Choice parents are grateful for the opportunity to send their children to an educational setting of their choice. Choice students are also grateful to attend the choice districts and are easily integrated into the resident student body. Overall, with its small beginning, which was by design, the school choice program has been effective in the first year of implementation in increasing educational opportunities in the public school system without disrupting that system.